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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

(A-201-830)

Carbon and Certain Alloy Steel Wire Rod from Mexico: Notice of Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: In response to timely requests, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on carbon and certain alloy steel wire rod (wire rod) from Mexico covering the period of review (POR) October 1, 2009, through September 30, 2010. This review covers one producer/exporter of subject merchandise: ArcelorMittal Las Truchas, S.A. de C.V. (AMLT).¹

We preliminarily determine that, during the POR, AMLT and its affiliate, ArcelorMittal International America LLC (AMIA) made sales of subject merchandise at less than normal value (NV). If these preliminary results are adopted in the final results of this administrative review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries of subject merchandise during the POR.

Interested parties are invited to comment on these preliminary results. The Department will issue the final results within 120 days after publication of the preliminary results.

EFFECTIVE DATE: (Insert date of publication in the Federal Register).

¹ We determined that AMLT is the successor-in-interest to Sicartsa in an antidumping changed circumstances review. The final Federal Register notice was published on July 29, 2011. See Final Results of Antidumping Duty Changed Circumstances Review: Carbon and Certain Alloy Steel Wire Rod from Mexico, (76 FR 45509 (July 29, 2011)).

FOR FURTHER INFORMATION CONTACT: Jolanta Lawska, AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-8362.

SUPPLEMENTARY INFORMATION:

Background

On October 29, 2002, the Department of Commerce (the Department) published in the Federal Register the antidumping duty order on wire rod from Mexico. See Notice of Antidumping Duty Orders: Carbon and Certain Alloy Steel Wire Rod from Brazil, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine, 67 FR 65945 (October 29, 2002) (Wire Rod Orders). On October 1, 2010, the Department published in the Federal Register a notice of opportunity to request an administrative review of the antidumping duty order on wire rod from Mexico. See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation: Opportunity to Request Administrative Review, 75 FR 60733 (October 1, 2010). On October 29, 2010, in accordance with 19 CFR 351.213(b), the Department received a timely request from Nucor Corporation (Nucor) and Cascade Steel Rolling Mills, Inc. (Cascade Steel), domestic producers of carbon wire rod, to conduct an administrative review of the sales of Aceros San Luis S.A. de C.V. (Aceros), Arcelor Mittal Las Truchas, S.A. de C.V. (AMLT), DeAcero de C.V. (DeAcero), Siderurgica Lazaro Cardenas Las Truchas S.A. de C.V. (Sicartsa), and Talleres y Aceros S.A. de C.V. (Talleres). On October 29, 2010, in accordance with 19 CFR 351.213(b), the Department also received a timely request from ArcelorMittal USA, Inc. (ArcelorMittal), Gerdau Ameristeel US Inc. (Gerdau), and Evraz Rocky Mountain Steel (Evraz), domestic producers of carbon and certain alloy steel wire rod, to conduct an administrative review of the

sales of AMLT, Sicartsa,² Ternium Mexico S.A. de C.V. (Ternium), DeAcero, Aceros, Talleres, and Altos Hornos de Mexico S..A. de C.V. (Altos Hornos). On November 1, 2010, AMLT, a Mexican producer of the subject merchandise requested an administrative review of its exports subject to the antidumping order referenced above.

On November 29, 2010, the Department published in the Federal Register the notice of initiation of this antidumping duty administrative review with respect to the following companies for the period October 1, 2009, through September 30, 2010: Aceros, Altos Hornos, AMLT, DeAcero, Sicartsa, Talleres, and Ternium. See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 75 FR 73036 (November 29, 2010) (Initiation Notice).

Subsequently, on March 24, 2011, the Department rescinded the review with respect to DeAcero, Aceros, Talleres, Ternium, and Altos Hornos. See Carbon and Certain Alloy Steel Wire Rod from Mexico: Notice of Partial Rescission of Antidumping Duty Administrative Review, 76 FR 16607 (March 24, 2011).

The Department selected AMLT/ Sicartsa as mandatory respondents in this review.³ On January 10, 2011, the Department sent the initial questionnaire covering sections A through D to AMLT. On February 17, 2011, AMLT submitted its section A questionnaire response to the Department's questionnaire. On February 24, 2011, AMLT submitted its sections B through C response to the Department's questionnaire. On March 3, 2011, AMLT submitted its section D response to the Department's questionnaire. On March 21, 2011, the Department sent to AMLT a supplemental questionnaire for section D and received the response on April 25, 2011. On March

² ArcelorMittal did not join in the request for a review of AMLT or Sicartsa. On February 28, 2011, ArcelorMittal withdrew its participation in this administrative review.

³ See Memorandum from Eric B. Greynolds, Program Manager, to Melissa Skinner, Director, Operations, Office 3, entitled "Respondent Selection," dated January 10, 2011.

28, 2011, the Department sent to AMLT a supplemental questionnaire for sections A through C and received the response on May 5, 2011. On April 28, 2011, the Department sent to AMLT a second supplemental questionnaire for sections A through C and received the response on May 12, 2011. On April 28, 2011, the Department sent to AMLT a third supplemental questionnaire for sections A through C. We received the response on May 23, 2011. On July 5, 2011, the Department issued a second supplemental section D questionnaire, and received the response on July 22, 2011. On August 4, 2011, the Department issued a third supplemental section D questionnaire, and received the response on September 1, 2011. On May 3, 2011, Gerdau Ameristeel US Inc. and Evraz Rocky Mountain Steel, a division of Evraz, Inc. NA (petitioners) submitted comments on the April 28, 2011, supplemental questionnaire response from AMLT. On September 16, 2011, petitioners submitted comments for the Department's consideration in its preliminary analysis of the questionnaire responses of AMLT. On June 10, 2011, the Department published a notice extending the time period for issuing the preliminary results of the administrative review from July 3, 2011, to October 31, 2011. See Carbon and Certain Alloy Steel Wire Rod from Mexico: Extension of Time Limits for the Preliminary Results of Fifth Antidumping Duty Administrative Review, 76 FR 34044 (June 10, 2011).

Verification

Pursuant to section 782(i) of the Tariff Act of 1930, as amended (the Act), the Department conducted verification of the questionnaire responses submitted by AMLT in March, April, and May 2011. See Memorandum to the File, "Verification of the Sales Response of ArcelorMittal las Truchas S.A. de C.V. (AMLT) in the Antidumping Review of Carbon and

Certain Alloy Steel Wire Rod from Mexico,” (July 12, 2011). The verification report is available on file in the Central Records Unit (CRU), Room 7046 of the Department’s main building.

On June 8, 2011, the Department received a revised home market and U.S. market sales database based on minor corrections submitted at the sales verification of AMLT in Mexico City, Mexico. On June 30, 2011, the Department also received a revised U.S. market database based on minor corrections submitted at the sales verification of AMLT’s affiliate in Chicago.

Scope of the Order

The merchandise subject to this order is certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, 5.00 mm or more, but less than 19.00 mm, in solid cross-sectional diameter.

Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high nickel steel; (d) ball bearing steel; and (e) concrete reinforcing bars and rods. Also excluded are (f) free machining steel products (i.e., products that contain by weight one or more of the following elements: 0.03 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorus, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium).

Also excluded from the scope are 1080 grade tire cord quality wire rod and 1080 grade tire bead quality wire rod. This grade 1080 tire cord quality rod is defined as: (i) grade 1080 tire cord quality wire rod measuring 5.0 mm or more but not more than 6.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) having no non-deformable inclusions greater than 20

microns and no deformable inclusions greater than 35 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04-114; (v) having a surface quality with no surface defects of a length greater than 0.15 mm; (vi) capable of being drawn to a diameter of 0.30 mm or less with 3 or fewer breaks per ton, and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of aluminum, (3) 0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.006 percent or less of nitrogen, and (5) not more than 0.15 percent, in the aggregate, of copper, nickel and chromium.

This grade 1080 tire bead quality rod is defined as: (i) grade 1080 tire bead quality wire rod measuring 5.5 mm or more but not more than 7.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) having no non-deformable inclusions greater than 20 microns and no deformable inclusions greater than 35 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04-114; (v) having a surface quality with no surface defects of a length greater than 0.2 mm; (vi) capable of being drawn to a diameter of 0.78 mm or larger with 0.5 or fewer breaks per ton; and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of soluble aluminum, (3) 0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.008 percent or less of nitrogen, and (5) either not more than 0.15 percent, in the aggregate, of copper, nickel and chromium (if chromium is not specified), or not more than 0.10 percent in the aggregate of copper and nickel and a chromium content of 0.24 to 0.30 percent (if chromium is specified).

For purposes of the grade 1080 tire cord quality wire rod and the grade 1080 tire bead quality wire rod, an inclusion will be considered to be deformable if its ratio of length (measured along the axis - that is, the direction of rolling - of the rod) over thickness (measured on the same inclusion in a direction perpendicular to the axis of the rod) is equal to or greater than three. The size of an inclusion for purposes of the 20 microns and 35 microns limitations is the measurement of the largest dimension observed on a longitudinal section measured in a direction perpendicular to the axis of the rod. This measurement methodology applies only to inclusions on certain grade 1080 tire cord quality wire rod and certain grade 1080 tire bead quality wire rod that are entered, or withdrawn from warehouse, for consumption on or after July 24, 2003.

The designation of the products as “tire cord quality” or “tire bead quality” indicates the acceptability of the product for use in the production of tire cord, tire bead, or wire for use in other rubber reinforcement applications such as hose wire. These quality designations are presumed to indicate that these products are being used in tire cord, tire bead, and other rubber reinforcement applications, and such merchandise intended for the tire cord, tire bead, or other rubber reinforcement applications is not included in the scope. However, should the petitioners or other interested parties provide a reasonable basis to believe or suspect that there exists a pattern of importation of such products for other than those applications, end-use certification for the importation of such products may be required. Under such circumstances, only the importers of record would normally be required to certify the end use of the imported merchandise.

All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products subject to this order are currently classifiable under subheadings 7213.91.3000, 7213.91.3010, 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3090, 7213.91.3091, 7213.91.3092, 7213.91.3093, 7213.91.4500, 7213.91.4510, 7213.91.4590, 7213.91.6000, 7213.91.6010, 7213.91.6090, 7213.99.0030, 7213.99.0031, 7213.99.0038, 7213.99.0090, 7227.20.0000, 7227.20.0010, 7227.20.0020, 7227.20.0030, 7227.20.0080, 7227.20.0090, 7227.20.0095, 7227.90.6010, 7227.90.6020, 7227.90.6050, 7227.90.6051, 7227.90.6053, 7227.90.6058, 7227.90.6059, 7227.90.6080, and 7227.90.6085 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

Product Comparisons

In accordance with section 771(16) of the the Act, all products produced by the respondent covered by the description in the Scope of the Order section, above, and sold in Mexico during the POR are considered to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. We have relied on eight criteria to match U.S. sales of subject merchandise to comparison market sales of the foreign like product: grade range, carbon content range, surface quality, deoxidization, maximum total residual content, heat treatment, diameter range, and coating. These characteristics have been weighted by the Department where appropriate. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics listed above. Where there were no sales of similar merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to constructed value (CV).

Comparisons to Normal Value

To determine whether sales of wire rod from Mexico were made in the United States at less than NV, we compared the export price (EP) or constructed export price (CEP) to the NV, as described in the “Export Price and Constructed Export Price” and “Normal Value” sections of this notice. In accordance with section 777A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual U.S. transactions.

Export Price and Constructed Export Price

For the price to the United States, we used, as appropriate, EP or CEP, in accordance with sections 772(a) and (b) of the Act. We calculated EP when the merchandise was sold by the producer or exporter outside the United States directly to the first unaffiliated purchaser in the United States prior to importation and when CEP was not otherwise warranted based on the facts on the record. We calculated CEP for those sales where a person in the United States, affiliated with the foreign exporter or acting for the account of the exporter, made the sale to the first unaffiliated purchaser in the United States of the subject merchandise. We based EP and CEP on the packed prices charged to the first unaffiliated customer in the United States and the applicable terms of sale.

In accordance with section 772(c)(2) of the Act, we made deductions, where appropriate, for movement expenses including inland freight from plant or warehouse to port of exportation, warehousing expense incurred in the country of manufacture, international freight, marine insurance, U.S. and foreign brokerage and handling charges, discharge survey fees and other transportation expenses. We also adjusted EP for billing adjustments, discounts and rebates.

For CEP, in accordance with section 772(d)(1) of the Act, when appropriate, we deducted

from the starting price those selling expenses that were incurred in selling the subject merchandise in the United States, including direct selling expenses (cost of credit). In addition, we deducted indirect selling expenses that related to economic activity in the United States. These expenses include inventory carrying costs incurred by affiliated U.S. distributors. We also deducted from CEP an amount for profit in accordance with sections 772(d)(3) and (f) of the Act.

Normal Value

A. Selection of Comparison Markets

To determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared AMLT's volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise. Pursuant to sections 773(a)(1)(B) of the Act, because AMLT had an aggregate volume of home market sales of the foreign like product that was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market was viable.

B. Cost of Production Analysis

In the most recently completed segment of the proceeding in which AMLT participated, the Department found that the respondent made sales in the home market at prices below the cost of producing the merchandise and excluded such sales from the calculation of NV. See Notice of Final Results of Antidumping Duty Administrative Review, Carbon and Certain Alloy Steel Wire Rod from Mexico, 71 FR 27989 (May 15, 2006). Therefore, pursuant to section 773(b)(2)(A)(ii) of the Act, the Department determined that there were reasonable grounds to believe or suspect that AMLT made sales of wire rod in Mexico at prices below the cost of

production (COP) in this administrative review. As a result, we initiated a COP inquiry for AMLT.

1. *Calculation of COP*

In accordance with section 773(b)(3) of the Act, we calculated a weighted-average COP based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for selling, general, and administrative expenses, packing expenses, and interest expense. We relied on the cost data submitted by AMLT in their section D responses except as noted below.

1. We recalculated AMLT's G&A and financial expense, by multiplying the G&A and financial expense ratio by the sum of the costs reported in the following fields:
TOTCOM, VARADU, FIXADU and FIXADU2.⁴ See Memorandum from Laurens van Houten, Senior Accountant, to Neal M. Halper, Director, Office of Accounting, entitled "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results – ArcelorMittal las Truchas, S.A. de C.V" (Cost Calculation Memorandum), dated October 31, 2011.
2. We allocated the entire amount of the AMLT's "nonoperational plant or low production expenses" over AMLT's cost of goods sold, and applied the adjustment factor to the total cost of manufacture (TOTCOM) of all control numbers (CONNUMs) produced.
3. AMLT inadvertently applied a 2009 adjustment factor to 2010 costs and also the 2010

⁴TOTCOM = Total Cost of Manufacture
VARADU = Adjustment Made to Variable Costs
FIXADU = First Adjustment Made to Fixed Costs
FIXADU2 = Second Adjustment Made to Fixed Costs

adjustment factor to 2009 costs. We corrected this error by applying the 2009 factor to 2009 costs and the 2010 factor to the 2010 costs.

2. *Test of Comparison Market Prices*

We examined the cost data and determined that our quarterly cost methodology is not warranted and, therefore, we have applied our standard methodology of using annual costs based on the reported data, adjusted as described in the “Cost of Production” section above. Because we are applying our standard annual-average cost test in these preliminary results, we have also applied our standard cost-recovery test with no adjustments.

As required under section 773(b)(2) of the Act, we compared the weighted-average COP to the per-unit price of the comparison market sales of the foreign like product, to determine whether these sales were made at prices below the COP within an extended period of time in substantial quantities, and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time. We determined the net comparison market prices for the below-cost test by subtracting from the gross unit price any applicable movement charges, discounts, rebates, direct and indirect selling expenses and packing expenses which were excluded from COP for comparison purposes.

3. *Results of COP Test*

Pursuant to section 773(b)(2)(C)(i) of the Act, where less than 20 percent of sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in “substantial quantities.” Where 20 percent or more of a respondent’s sales of a given product during the POR

were at prices less than the COP, we determined such sales to have been made in “substantial quantities.” See section 773(b)(2)(C) of the Act. Further, the sales were made within an extended period of time, in accordance with section 773(b)(2)(B) of the Act, because we examined below-cost sales occurring during the entire POR. In such cases, because we compared prices to POR-average costs, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Therefore, for purposes of this administrative review, we disregarded below-cost sales of a given product and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

C. Calculation of Normal Value Based on Comparison Market Prices

We calculated NV based on ex-works, free on board (FOB) or delivered prices to comparison market customers. We made deductions from the starting price, when appropriate, for inland freight, warehousing, inland insurance, discounts, and rebates. In accordance with sections 773(a)(6)(A) and (B) of the Act, we added U.S. packing costs and deducted home market packing, respectively. In addition, we made circumstances of sale (COS) adjustments for direct expenses including imputed credit expenses, commissions, and billing adjustments in accordance with section 773(a)(6)(C)(iii) of the Act.

When comparing U.S. sales with comparison market sales of similar, but not identical, merchandise, we also made adjustments for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We based this adjustment on the difference in the variable cost of manufacturing for the foreign like product and subject merchandise, using weighted- average costs.

Further, pursuant to section 776(b) of the Act, we applied partial adverse facts available (AFA) with regard to AMLT's inland freight expense in the home market as a replacement for the non-verifiable data at verification in the INLFTCH field of the home market database. Specifically, we applied the lowest expense reported in the INLFTCH field in the home market database for all CONNUMs containing non-verified INLFTCH expenses. See Memorandum to the File "Calculation Memorandum for ArcelorMittal Las Truchas S.A. de C.V. (AMLT)" (Preliminary Sales Calculation Memorandum), dated October 31, 2011.

D. Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP or CEP transaction. In identifying LOTs for EP and comparison market sales (i.e., NV based on home market), we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Act. See Micron Technology, Inc. v. United States, 243 F.3d 1301, 1314 (Fed. Cir. 2001).

To determine whether NV sales are at a different LOT than EP or CEP transactions, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison market sales at the LOT of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Act. For CEP sales, if the NV level is more remote from the factory than the

CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP offset provision).

In the home market, AMLT reported sales made through one LOT corresponding to one channel of distribution. In the U.S. market, AMLT reported two LOTs corresponding to two channels of distribution. AMLT made direct sales to unaffiliated end users and through its U.S. affiliate. We have determined that the sales made by AMLT directly to U.S. customers are EP sales and those made by AMLT's affiliated U.S. reseller constitute CEP sales. Furthermore, we have found that U.S. sales and home market sales were made at different LOT. AMLT requested that a CEP offset should be made in calculating the normal value because according to AMLT, the activities in the home market are at a more advanced level of trade. Accordingly, we preliminarily find it necessary to make a CEP offset. For further explanation of our LOT analysis, see Preliminary Sales Calculation Memorandum.

Preliminary Results of Review

As a result of our review, we preliminarily determine that the following weighted-average dumping margin exists for the period October 1, 2009, through September 30, 2010:

Producer/Manufacturer	Weighted-Average Margin
AMLT	5.45 %

The Department will disclose calculations performed within five days of the date of publication of this notice to the parties of this proceeding in accordance with 19 CFR 351.224(b). An interested party may request a hearing within 30 days of publication of these preliminary results. See 19 CFR 351.310(c). Any hearing, if requested, will be held 37 days after the date of

publication, or the first working day thereafter, unless the Department alters the date pursuant to 19 CFR 351.310(d). Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. See 19 CFR 351.309(c)(ii). Rebuttal briefs limited to issues raised in the case briefs may be filed no later than 35 days after the date of publication. See 19 CFR 351.309(d). Parties who submit arguments are requested to submit with the argument (1) a statement of the issue, and (2) a brief summary of the argument. The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, or at a hearing, within 120 days of publication of these preliminary results. See section 751(a)(3)(A) of the Act.

Assessment Rate

The Department shall determine and CBP shall assess antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), the Department calculates an assessment rate for each importer of the subject merchandise for each respondent. Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above de minimis (i.e., at or above 0.5 percent), the Department will issue appraisement instructions directly to CBP to assess antidumping duties on appropriate entries.

To determine whether the duty assessment rates covering the period were de minimis, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), for each respondent we calculated importer (or customer)- specific ad valorem rates by aggregating the dumping margins calculated for all U.S. sales to that importer or customer and dividing this amount by the total value of the sales to that importer (or customer). Where an importer (or customer)-specific ad valorem rate is greater than de minimis, and the respondent has reported reliable entered values,

we apply the assessment rate to the entered value of the importer's/customer's entries during the review period. Where an importer (or customer)- specific ad valorem rate is greater than de minimis and we do not have reliable entered values, we calculate a per-unit assessment rate by aggregating the dumping duties due for all U.S. sales to each importer (or customer) and dividing this amount by the total quantity sold to that importer (or customer).

The Department clarified its "automatic assessment" regulation on May 6, 2003. See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003). This clarification will apply to entries of subject merchandise during the POR produced by the respondent for which it did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see Antidumping and Countervailing Duty Proceedings Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

Cash Deposit Requirements

To calculate the cash deposit rate for AMLT, we divided the total dumping margin by the total net value for AMLT's sales during the POR.

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of wire rod from Mexico entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for AMLT will be the rate established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, de minimis, the cash deposit rate will be zero; (2) for previously reviewed or investigated companies not listed above, the cash

deposit rate will continue to be the company-specific rate published for the most recent final results in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and, (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 20.11 percent, the all-others rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and increase the subsequent assessment of the antidumping duties by the amount of antidumping duties reimbursed.

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

____October 21, 2011____
Date